5/05 3/035

Dixie Resource Area Office 225 North Bluff Street St. George, Utah 84770 (801)673-4654

3809 UTU-66860 (UT-045)

June 25, 1992

David L. Penney P.O. Box 312 Beaver, Utah 84213

Dear Mr. Penney:

On June 13, 1992, you called Larry Gore to discuss your record of noncompliance. As Mr. Gore indicated, you have established a record of noncompliance by not completing reclamation by the date agreed upon. We were not advised of any changes in your operation which could affect the need for that reclamation until after the reclamation date had passed and the record of noncompliance had been established.

As Larry mentioned, an on-site meeting to discuss your operation would be helpful. Please contact Larry to schedule this meeting soon. Larry can answer any questions you may have about the reclamation. The reclamation specified in the September 25, 1991 Notice of Noncompliance may be done without posting a bond.

If you plan to conduct any operations other than the reclamation mentioned above, you must submit a Plan of Operations and a bond as specified in our June 9, 1992 letter. Larry can answer any questions you may have about this matter, but he may not write the Plan for you. If you wish, you may ask someone else to act as your agent in submitting the necessary information. Please be sure to let us know in writing if you designate an agent.

Sincerely,

/s/Debbie J. Pietrzak

Debbie J. Pietrzak Area Manager

!LG:ka:6/25/92:Penney.Let